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BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT
OF THE STATE OF CALIFORNIA

In the Matter of:)	NMLS ID: 1667722
)	
THE COMMISSIONER OF BUSINESS)	STATEMENT OF ISSUES
OVERSIGHT,)	
)	
Complainant,)	
)	
v.)	
)	
JEFFREY L. JOHNSON, JR.,)	
)	
Respondent.)	
)	
)	

The Complainant, the Commissioner of Business Oversight (Commissioner), of the Department of Business Oversight (Department), is informed and believes, and based upon such information and belief, alleges and charges Respondent as follows:

I.
Introduction

1. The proposed order seeks to deny the issuance of a mortgage loan originator (MLO) license to Jeffrey L. Johnson, Jr. (Johnson) pursuant to Financial Code section 50141 in that Johnson was convicted in the State of Delaware of a felony involving an act of fraud, dishonesty, a

1 breach of trust, or money laundering, by pleading guilty on or around December 12, 2005 to
2 Robbery in the second degree and Conspiracy in the second degree.

3 **II.**
4 **Application**

5 2. On or around March 20, 2018, Johnson filed an application for an MLO license with
6 the Commissioner by submitting a Form MU4 through the Nationwide Mortgage Licensing System
7 (NMLS) (hereinafter, Application) pursuant to Financial Code section 50140.

8 3. Disclosure Question (F)(1) in the Application asked: “Have you ever been convicted
9 of or pled guilty or nolo contendere (‘no contest’) in a domestic, foreign, or military court to any
10 felony?” Johnson answered “Yes.”

11 4. On or around April 24, 2018, Johnson submitted through NMLS the criminal docket
12 and the Sentence Order in *State of Delaware v. Jeffrey L. Johnson* (Case No. 0506017284) from the
13 Superior Court of the State of Delaware, New Castle County.

14 **III.**
15 **Conviction**

16 5. Documents obtained by the Department in connection with the Application disclosed
17 that on or around August 22, 2005, a Grand Jury issued an indictment against Johnson as to the
18 following four felony counts: Count 1, Robbery in the first degree, in violation of Title 11 of the
19 Delaware Code of 1974, as amended (11 Del. C.) § 832; Count 2, Possession of a Firearm During
20 the Commission of a Felony, in violation of 11 Del. C. § 1447A; Count 3, Possession of a Firearm
21 During the Commission of a Felony, in violation of 11 Del. C. § 1447A; and Count 4, Conspiracy
22 in the second degree, in violation of 11 Del. C. § 512.

23 6. On or around December 12, 2005, Johnson pled guilty to Robbery in the second
24 degree, in violation of 11 Del. C. § 831,¹ and Conspiracy in the second degree.

25
26 ¹ “(a) A person is guilty of robbery in the second degree when, in the course of committing theft, the person uses or
27 threatens the immediate use of force upon another person with intent to: (1) Prevent or overcome resistance to the taking
28 of the property or to the retention thereof immediately after the taking; or (2) Compel the owner of the property or
another person to deliver up the property or to engage in other conduct which aids in the commission of the theft.
Robbery in the second degree is a class E felony. (b) In addition to its ordinary meaning, the phrase ‘in the course of
committing theft’ includes any act which occurs in an attempt to commit theft or in immediate flight after the attempt or
commission of the theft.” (11 Del. C. § 831.)

IV.
Applicable Law

7. Financial Code section 50141 provides in relevant part:

(a) The commissioner **shall deny** an application for a mortgage loan originator license unless the commissioner makes **at a minimum the following findings:** . . .

(2) (A) The applicant has not been convicted of, or pled guilty or nolo contendere to, a felony in a domestic, foreign, or military court . . . **at any time preceding the date of application**, if such felony involved an act of fraud, **dishonesty**, a breach of trust, or money laundering. Whether a particular crime is classified as a felony shall be determined by the law of the jurisdiction in which an individual is convicted. (Emphasis added.)

V.
Conclusion

The Commissioner finds that Johnson does not meet at least one of the minimum requirements for issuance of a mortgage loan originator license, namely, Financial Code section 50141, subdivision (a)(2) requiring that Johnson has not pled guilty to a felony at any time preceding the date of the Application if such felony involved an act of fraud, dishonesty, a breach of trust, or money laundering.² Having found that Johnson pled guilty to a felony involving an act of dishonesty prior to the date of the Application, pursuant to Financial Code section 50141, the Commissioner shall deny Johnson’s application for a mortgage loan originator license.

By reason of the foregoing, pursuant to Financial Code section 50141, the Commissioner shall deny Jeffrey L. Johnson, Jr.’s application for a mortgage loan originator license.

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² “Since robbery and burglary each necessarily involve a specific intention to commit a theft . . . each involves elements of dishonesty and a readiness to do evil.” (*People v. Rodriguez* (1986) 177 Cal. App. 3d 174, 178.)

1 WHEREFORE IT IS PRAYED that the mortgage loan originator application filed by Jeffrey
2 L. Johnson, Jr. be denied.

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4 Dated: August 21, 2018
5 Los Angeles, California

JAN LYNN OWEN
Commissioner of Business Oversight

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7
8 By _____
9 SOPHIA C. KIM
10 Senior Counsel
11 Enforcement Division
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